

STATE OF WASHINGTON

OFFICE OF THE GOVERNOR

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May 17, 2021

To the Honorable President and Members, The Senate of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval as to Sections 6; 22; and the four internal cross-references to Section 22 [Section 8, on page 20, line 32, after "in" veto "section 22 of"; Section 9, on page 22, beginning on line 14, after "2026.", veto the sentence beginning with "If" and ending with "period." on line 16; Section 13, on page 39, line 21, after "with" veto "section 22 of"; and Section 19, on page 47, line 30, after "under" veto "section 22 of"], Engrossed Second Substitute Senate Bill No. 5126 entitled:

"AN ACT Relating to the Washington climate commitment act."

Section 6 requires the development of an improved consultation framework for state agencies to communicate and collaborate with tribes on climate investments made under the act. I strongly support the need for this work, as there are multiple new programs authorized under this act that require the state and tribes to work together. However, this section also requires tribes to provide their consent for climate projects funded by the Climate Commitment Act that might impact tribal interests, which differs from our current government-to-government approach, and does not properly recognize the mutual, sovereign relationship between tribal governments and the state. Although I am vetoing this Section, I will be requesting formal consultation with Tribal leaders to develop improved consultation procedures that strengthen our ability to work together as both sovereign governments and committed partners to advance our many mutual interests.

Section 22 primarily provides a convenient summary of compliance obligations under the Act that is duplicative of the same key compliance obligations and authorizing provisions that are well established and defined in other sections of the Act, including but not limited to Sections 23, 8 and 2. For example, the rulemaking authority acknowledged in Section 22 is provided for and expanded upon in Section 25, which separately establishes comprehensive rulemaking authority that authorizes the Department of Ecology to adopt rules to implement all of the provisions of the Act. There are no substantive aspects of Section 22 that Ecology cannot adopt and implement through this rulemaking authority. By vetoing Section 22, I am also removing an internal inconsistency with regard to the expiration date of allowances, because the ability of covered entities to rely on the last seven years of allowances in Section 22(1) conflicts with the unlimited time period for use of allowances in Section 9 (2). Because I am vetoing Section 22, I am also vetoing the four internal cross-references to Section 22. Finally, I want to express my deep appreciation for the Legislature's remarkable work on this critical piece of legislation; however, the delayed effective date established in subsection (7) unnecessarily hinders our state's ability to combat climate change, one of the greatest challenges

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facing our state and the world today.

For these reasons I have vetoed Sections 6; 22; and the four internal cross-references to Section 22 [Section 8, on page 20, line 32, after "in" veto "section 22 of"; Section 9, on page 22, beginning on line 14, after "2026.", veto the sentence beginning with "If" and ending with "period." on line 16; Section 13, on page 39, line 21, after "with" veto "section 22 of"; and Section 19, on page 47, line 30, after "under" veto "section 22 of"] of Engrossed Second Substitute Senate Bill No. 5126.

With the exception of Sections 6; 22; and the four internal cross-references to Section 22 [Section 8, on page 20, line 32, after "in" veto "section 22 of"; Section 9, on page 22, beginning on line 14, after "2026.", veto the sentence beginning with "If" and ending with "period." on line 16; Section 13, on page 39, line 21, after "with" veto "section 22 of"; and Section 19, on page 47, line 30, after "under" veto "section 22 of"], Engrossed Second Substitute Senate Bill No. 5126 is approved.

Respectfully submitted,

Jay Inslee

Governor